

State Farm Insurance Companies

Sent via Email

Original to follow by US Mail

REC'D TN

REGULATORY AUTH.

'00 SEP 8 PM 3 27

September 1, 2000

OFFICE OF THE
EXECUTIVE SECRETARY

David Waddell
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243



Corporate Law Department Southeast
Marquis Two Tower
285 Peachtree Center Avenue, NE
Suite 770
Atlanta, Georgia 30303-1229

Michael L. Lane
Assistant Counsel
Telephone: (404) 335-2000
Facsimile: (404) 335-2005

Re: Telephone Solicitation Regulations

Dear Mr. Waddell:

00-00522

State Farm Insurance Companies appreciate the opportunity to provide comment on the proposed amendments to these regulations. State Farm insurance group has more than one million insurance policies in force in Tennessee insuring automobiles, homes, and lives. While we do not generally think of State Farm as a telemarketing organization, our operations could be affected by these regulations. Therefore, we offer the following comments:

- 1) The definitions of "Principal Solicitor" and "Independent Solicitor" should be modified slightly to clearly include agreements that are not solely telephone solicitation agreements. Oftentimes, agreements include many features only one of which may concern telephone solicitation.
- 2) A statement should be included which clearly indicates that a private cause of action is not created by this rule.
- 3) The regulation states that a principal solicitor will be held joint and severally liable for violations of the act by independent contractors if identified with the Authority as making calls on its behalf. The regulation should clearly state that a principal solicitor is only liable for an independent contractor if the principal has identified the independent contractor as making phone calls on its behalf and for such calls made under the principal solicitor's indirect supervision and at its request. An independent contractor could make calls the principal solicitor did not authorize or supervise. The principal solicitor should be responsible for these calls.
- 4) Rule 1220-4-11-.02 (2) states that solicitors must institute procedures in compliance with 16 C.F.R. § 310. The FTC has indicated that these regulations do not apply to banks, federal credit unions, federal savings and loans, insurance companies, common carriers, and non-profit organizations. Tennessee regulations should not seek to expand the scope of the do-not-call requirements from those included in the referenced federal law.

POSTED
9-8-00

Mr. David Waddell
Page 02
September 01, 2000

Thank you for the opportunity to provide you with these comments. If we can be of any further assistance to you on this issue, please let me know.

Very truly yours,



Michael L. Lane